

SENATE BILL No. 189

DIGEST OF INTRODUCED BILL

Citations Affected: IC 7.1-3-23.

Synopsis: Penalties for employees serving alcohol to minors. Provides that the alcohol and tobacco commission (commission) may initiate a permit violation proceeding against a holder of: (1) a retailer permit; or (2) a dealer permit for a package liquor store; for furnishing an alcoholic beverage to a minor only if the commission also initiates a permit violation proceeding against the employee of the retailer or dealer who served the minor. Provides that any employee permit violation for serving alcohol to a minor becomes inactive two years after the date of the violation and may not be counted in assessing any future violations, suspensions, or civil penalties.

Effective: July 1, 2014.

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January 8, 2014, read first time and referred to Committee on Public Policy.



Second Regular Session 118th General Assembly (2014)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2013 Regular Session and 2013 First Regular Technical Session of the General Assembly.

SENATE BILL No. 189

A BILL FOR AN ACT to amend the Indiana Code concerning alcohol and tobacco.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 7.1-3-23-9.5 IS ADDED TO THE INDIANA
2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2014]: **Sec. 9.5. (a) This section applies only**
4 **to a violation of IC 7.1-5-7-8 that occurs after June 30, 2014.**
5 **(b) As used in this section, "employee" refers to an individual**
6 **who holds an employee's permit under IC 7.1-3-18-9.**
7 **(c) As used in this section, "employer" refers to the holder of:**
8 **(1) a retailer permit; or**
9 **(2) a dealer permit for a package liquor store.**
10 **(d) If an employee furnishes an alcoholic beverage to a minor on**
11 **the permit premises in violation of IC 7.1-5-7-8, the commission**
12 **may initiate a permit violation proceeding against the employer for**
13 **violating IC 7.1-5-7-8 only if the commission also initiates a permit**
14 **violation proceeding against the employee for violating**
15 **IC 7.1-5-7-8.**
16 **(e) Except as provided in subsection (f), if the commission finds**



that the employee violated IC 7.1-5-7-8, the commission shall do the following:

(1) If the violation is the employee's first violation, the commission shall:

(A) issue the employee a disciplinary warning; and

(B) impose on the employee a civil penalty of one hundred dollars (\$100).

(2) If the violation is the employee's second or subsequent violation, the commission shall:

(A) suspend or deny the renewal of the employee's employee permit for two (2) years after the date of the violation; and

(B) impose on the employee a civil penalty of two hundred dollars (\$200).

(f) If the employee does not pay a civil penalty imposed by the commission under subsection (e), the commission may:

(1) suspend; or

(2) lengthen the period of the suspension of;

the employee's employee permit as set forth in section 4 of this chapter.

(g) Any violation under subsection (e) becomes inactive two (2) years after the date of the violation and may not be counted in assessing any future violations, suspensions, or civil penalties under this section.

(h) All civil penalties collected under this section shall be deposited in the alcohol and tobacco commission's enforcement and administration fund under IC 7.1-4-10.

SECTION 2. IC 7.1-3-23-26.1, AS AMENDED BY P.L.161-2005, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 26.1. (a) A retailer permittee or dealer permittee who violates IC 7.1-3-1.5-13, IC 7.1-5-7-4, or IC 7.1-5-7-8 through IC 7.1-5-7-13 may be fined, have the permittee's permit suspended, or be fined and have the permittee's permit suspended, as determined by the commission. However, if the penalty imposed by the commission exceeds a fine and three (3) day suspension, the commission must issue written findings of fact and conclusions which show the necessity of the penalty. If the retailer or dealer permittee commits a subsequent violation of the provisions listed in this subsection within twelve (12) months of the first violation, the commission may fine the permittee, fine the permittee and suspend the permittee's permit, or revoke the permittee's permit. However, if the penalty exceeds a fine and suspension of more than fifteen (15) days, the commission must issue



1 written findings of fact and conclusions which show the necessity of
2 the penalty.

3 (b) The holder of an employee permit who:

4 **(1)** violates IC 7.1-5-7-4 or ~~IC 7.1-5-7-8~~ **IC 7.1-5-7-9** through
5 IC 7.1-5-7-13 may be fined, have the permittee's permit
6 suspended, be both fined and have the permittee's permit
7 suspended, or have the permittee's permit revoked, as determined
8 by the commission; **or**

9 **(2) violates IC 7.1-5-7-8 is subject to section 9.5 of this**
10 **chapter.**

